

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF COLUMBIA)	CASE NO. 10498-B
GAS OF KENTUCKY, INC.)	

O R D E R

This matter arising upon petition of Columbia Gas of Kentucky, Inc. ("Columbia Gas"), filed August 3, 1990 pursuant to 807 KAR 5:001, Section 7, for confidential protection of the spot market purchase data filed in conjunction with Columbia Gas's semi-annual gas cost adjustment information on the grounds that disclosure of the information is likely to cause Columbia Gas competitive injury, and it appearing to this Commission as follows:

By Order dated February 25, 1988 in Case No. 9554-B,¹ the Commission ordered Columbia Gas to file backup information regarding its purchases of spot market gas as part of its semi-annual gas cost adjustment filings. Included in the information, under Tab 5 of its most recent gas adjustment filing, is the spot market purchase data required by the Commission in Case No. 9554-B.

807 KAR 5:001, Section 7, protects information as confidential when it is established that disclosure is likely to cause substantial competitive harm to the party from whom the

¹ Case No. 9554-B, The Notice of Purchased Gas Adjustment Filing of Columbia Gas of Kentucky, Inc.

information was obtained. In order to satisfy this test, the party claiming confidentiality must demonstrate actual competition and a likelihood of substantial competitive injury if the information is disclosed. Competitive injury occurs when disclosure of the information gives competitors an unfair business advantage.

The information sought to be protected reveals the price that Columbia Gas pays producers for gas under secret, competitive bidding procedures. If this information is made public, producers can adjust their bids to reflect the prices being paid to other producers, thereby destroying the price advantages inherent in competitive bidding. Without true competitive bidding, Columbia Gas is likely to suffer competitive injury by paying more for the gas that it purchases from producers. Therefore, the information should be protected from public disclosure as confidential.

This Commission being otherwise sufficiently advised,

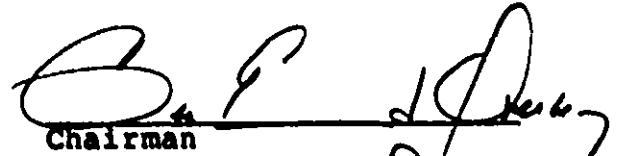
IT IS ORDERED that:

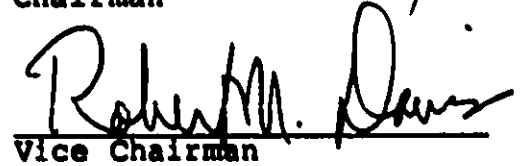
1. The information contained under Tab 5 of Columbia Gas's most recent gas cost adjustment filing, which Columbia Gas has petitioned be withheld from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection.

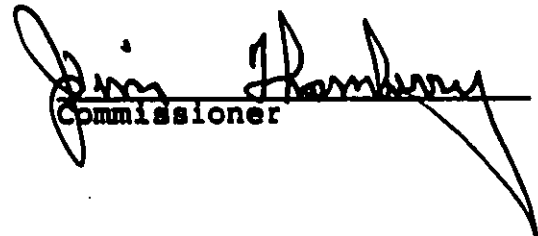
2. To the extent that it has not already done so, Columbia Gas shall, within 10 days of the date of this Order, file an edited copy of the information with the confidential material obscured for inclusion in the public record, with copies to all parties of record.

Done at Frankfort, Kentucky, this 7th day of September, 1990.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director